



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 4  
ATLANTA FEDERAL CENTER  
61 FORSYTH STREET  
ATLANTA, GEORGIA 30303-8960

**MEMORANDUM**

**SUBJECT:** FY 2016 State Oversight Activities

**FROM:** Beverly H. Banister, Director  
Air, Pesticides and Toxics Management Division *MBH for 11/19/15*

**TO:** J. Scott Gordon, Associate Director  
Office of Environmental Communication

With this memorandum, I am providing the Air, Pesticides and Toxics Management Division's (APTMD's) plan for conducting oversight of our Clean Air Act delegated programs in fiscal year (FY) 2016. The plan consists of a number of ongoing oversight activities, continued collaboration with your office in conducting State Review Framework (SRF) evaluations of selected state and local programs, and new activities, including oversight inspections and differential focus on potential problems identified by your office through the Annual Data Metrics Analysis (DMA) process. The specific elements of the plan are identified below:

- Semi-annual review of §105 grant commitments for compliance and enforcement
- Review of Compliance Monitoring Strategy (CMS) inspection commitments
- Oversight of high priority violations (HPVs) through regular calls/meetings
- Participation in SRF reviews and follow-up on SRF recommendations
- Review of trends identified through OEC's Annual DMA process
- Conduct oversight inspections

**§105 Grant Commitment Review**

A cornerstone of each state or local program's responsibilities for compliance and enforcement is the commitments they make through the Air Planning Agreement associated with the §105 grant. My office reviews program performance against these commitments at mid-year and end-of-year. For the stationary source program, key focus areas include data reporting and management, reporting of federally reportable violations, cooperation in the EPA criminal investigations, and technical assistance.

**Review of Compliance Monitoring Strategy (CMS) inspections commitments**

APTMD will continue to review and approve biennial CMS plans submitted by each state or local program pursuant to the EPA's Stationary Source Compliance Monitoring Strategy. In general, state and local programs are expected to conduct full compliance evaluations at each major source every two years and at each synthetic minor 80% every five years.

### Oversight of HPVs

APTMD state coordinators will continue to conduct monthly or bi-monthly conference calls or meetings with state and local program managers to discuss new and ongoing HPVs. This oversight activity helps to ensure that state and local staff are properly identifying HPVs and that timely and appropriate enforcement actions are being taken to address those HPVs. In August 2014, the Office of Enforcement and Compliance Assurance issued a revised HPV Policy that became effective on October 1, 2014.

### Participation in SRF Reviews and Recommendation follow-up

As in previous years, APTMD will continue to assist the Office of Environmental Communication (OEC) in conducting SRF reviews of each state on a four-year cycle. An SRF review is expected to be conducted in two states and one local program in FY16. APTMD staff will work with OEC to track outstanding SRF recommendations and coordinate with the state and local program managers to ensure that appropriate procedures and practices are implemented and performance improvements are realized.

### Review of Trends Identified through OEC's Annual DMA process

APTMD is continuing to incorporate into its oversight activities in FY16 a review of the enforcement and compliance trend information from OEC and the Annual DMAs for each of the states. This information has identified at least one state (North Carolina) in FY 2015 that was identified for which APTMD implemented differential oversight in FY 2015. APTMD, in cooperation with OEC, reviewed the Tiered Enforcement Policy currently being implemented in North Carolina and conducted file reviews to determine how this policy is being applied to federally reportable violations and high-priority violations and the effect it was having on formal actions in the state. APTMD and OEC are assessing the final results to determine any follow-up actions needed.

### State Oversight Inspections

In FY16, APTMD plans to conduct a limited number of oversight inspections to determine the effectiveness of state and local personnel with regard to inspection activities both in the field and in the office. The oversight inspections will review pre-inspection preparation, the onsite inspection, and post inspection activities. APTMD expects to conduct oversight inspections in four states (Florida, Georgia, North Carolina, and Tennessee) and one local program in FY16. The specific local program to be evaluated will be identified and shared with OEC in November 2015.